



STATE OF OKLAHOMA  
OKLAHOMA HEALTH CARE AUTHORITY

February 8, 2000

Joyce Jordan, Project Officer  
Health Care Financing Administration  
Center for Medicaid and State Operations  
Mail Stop S2-01-16  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850

Dear Ms. Jordan.

On February 4, 2000, the Oklahoma Health Care Authority (OHCA) received a fax copy of your letter dated December 30, 1999, wherein an extension of Oklahoma's §1115(a) Research and Demonstration Waiver was approved. Also contained in your letter were conditions that called for the State to submit a corrective action plan within fifteen (15) days of the receipt of your letter. In addition to this request a written response of acceptance of the Special Terms and Conditions, within thirty (30) days of receipt of your letter, was required. We apologize for the delay in our response, but no one within the OHCA has any record of ever receiving the "original" letter.

This letter is designed to serve as the State's acceptance of the Special Terms and Conditions delineated within your letter. Also enclosed for your review and consideration is a copy of the State's corrective action plan along with an implementation timeline.

It is important to note, however, that the financial information you requested for the period January 1, 1996 through December 31, 1999 has already been submitted to Health Care Financing Administration (HCFA). The information was submitted with our current quarter's submission of the HCFA-64.9 report covering the time period October 1, 1999 through December 31, 1999.

Should you need an additional information or clarification, please contact Cindy Roberts, Associate Director for Management & Audit Services, at (405) 522-7253.

Sincerely,

Mike Fogarty

cc: Art Pagan, Dallas Regional Office  
Tamara Auseon, Dallas Regional Office

## **Corrective Action Plan**

### **Problem:**

The provisions of the Balanced Budget Act, which provide for extending the duration of State Health Reform Demonstrations, require the assessment the State's performance under the Special Terms and Conditions. There is special emphasis on performance under budget neutrality. **An** essential report for HCFA's assessment of budget neutrality is the form HCFA-64.9 waiver supplement. The State had began the process of extracting quarterly financial information in 1997, however, delays were encountered due to more pressing system issues and a lack of programmers. During the May 1999 site visit, the State agreed **to** provide HCFA with quarterly managed care expenditure information (by date-of-payment) dating back to the start of the waiver (January 1, 1996). Expenditure information is included in the annual budget neutrality reports, however, it is not broken down by quarters or included under the waiver section of the HCF A-64.9.

### **Corrective Action Plan:**

As of May 1999 the financial information extraction process was given priority and a system for generating/formatting managed care expenditure data, that meet HCFA-64.9 requirements, was developed. The process included assigning lead individuals from MMIS, finance, and the program design and evaluation unit in the extraction of this data. These individuals are responsible for creating methods for data extraction, validation, and submission of managed care expenditures for past-due and future quarterly reports.

### **Timeline:**

A completion deadline was December 31, 1999.